INFORMATION LETTER

Not for Publication — NATIONAL CANNERS ASSOCIATION — For Members Only

No. 891 — Washington, D. C. — July 11, 1942

OPA Amends Canned Vegetable Price Ceiling Regulation No. 152

Differentials Are Required in Computing Maximum Prices; Formula Is Given for Computing Ceiling on Delivered Basis

On July 11, 1942, the Office of Price Administration issued a series of amendments to Maximum Price Regulation No. 152 for canned vegetables. (See INFORMATION LETTER No. 885, May 30, 1942, p. 7019.) Although issued shortly before the July 15 deadline on the filing of canners' canned vegetable ceiling prices, the regulation containing these amendments specifies changes of major importance in the computation of such ceilings. The new regulation, entitled Amendment No. 3, requires the canner to use his own established price differentials before resorting to his competitor's prices on items which he cannot calculate; it permits those canners who customarily sell on a delivered price basis to calculate their ceiling prices on a delivered basis in accordance with a specified formula; and makes special provision for the calculation of ceiling prices on snap beans by canners packing that product both in the spring and in the fall.

Required Use of Differentials

It will be recalled that Maximum Price Regulation No. 152, covering a specified list of canned vegetables, provided that the ceiling price for each kind, grade, and container size was to be determined by computing (1) the weighted average sales price during the first 60 days after the beginning of the 1941 pack, and adding thereto (2) eight per cent of such price, and (3) the actual increase per dozen cans in the cost of the raw material as of May 4, 1942, over that for the 1941 pack. By a later interpretation it was definitely ruled that where a canner lacked for any kind, grade, or container size the necessary information as to either (1) or (3), he would for that item have to use the maximum price of the most closely competitive canner. This requirement led to considerable difficulty in many cases and often resulted in the ceiling price for a lower grade being higher in some cases than the ceiling price for a better grade. Moreover, as pointed out by Price Administrator Leon Henderson in the Statement of Considerations accompanying the amendment, many "canners found it necessary to seek out numerous competitors before a full schedule of maximum prices could be obtained. In many cases it has been impossible for canners to obtain a full list of maximum prices in this manner."

Accordingly, the amended regulation now provides a new subparagraph entitled (j) which *requires* that where a canner does not have the information to compute a price ceiling under the formula, he *must* apply his 1941 differentials before seeking the price of his most closely competitive canner.

The use of differentials, however, is limited in a number of ways. The regulation directs that a canner must first work out the ceiling prices for all products for which he has the necessary information. Thereafter, for each particular kind of canned vegetable, he selects from among those grades and can sizes on which he has been able to compute a ceiling price, the grade and can size of which he packed the

(Continued on page 7095)

Further Changes in Regulation 152 Expected

Just before this issue of the INFORMATION LETTER went to press, and after the accompanying article on Amendment No. 3 to Maximum Price Regulation No. 152 and the accompanying texts of the amendment and Statement of Considerations were in type, it was indicated that the Office of Price Administration is contemplating making some changes in that portion of the amendment which covers the computation of differentials with respect to No. 10 cans. Canners will be notified if and when such further changes in the amendment are drafted.

SUGGESTED PRICE STATEMENT TO BUYERS

Recommended Form Concerning Legality of Prices Charged Under OPA Ceilings

A number of buyers have requested canners to supply statements to the effect that the prices charged are within the applicable price ceiling regulations issued by the Office of Price Administration. It is suggested that the purpose of such statements would be to enable the buyer to show that in making his purchase he exercised good faith and honest, reasonable judgment. Where the price ceiling is based upon facts which the buyer cannot readily obtain, it has been urged upon canners that a statement from the seller will be helpful.

There is no legal requirement that such statements be given. Nothing in the Emergency Price Control Act imposes any obligation in this respect and no regulation has sought to do so.

If it is deemed desirable to make some statement to buyers as to the validity of the prices charged, sellers must recognize that the applicable regulations have already been, and may in the future be, changed from time to time. This is recognized by Section 205 (d) of the statute which exempts from penalty or damage any person acting in accordance with the regulation in effect on a particular date even though such regulation may later be amended, modified, or rescinded. No general statements to buyers thus appear to be possible, and anything said must be

limited to a particular date. Moreover, some of the formulas underlying price ceilings are complicated or dependent upon facts which can be fully developed only at some future date.

A recommended form of statement, which probably represents the fullest extent to which any canner may go and which will reasonably serve the buyer's purpose, is set forth below:

The prices specified in this contract [or charged in this invoice] are believed to be not in excess of those prescribed by applicable regulations of the Office of Price Administration in effect on the date of this contract [or invoice]. In the event that any price herein specified or charged should upon recomputation be found to exceed the maximum price specified in any regulation in effect on this date, seller may adjust such price to equal the prescribed maximum price and upon doing so shall be free from any and all further liability because of such error.

Walsh-Healey Exemption Applies to Fruits and Vegetables Packed In Glass as Well as In Tin.

On May 14, 1942, the Secretary of Labor granted a complete exemption from the provisions of the Walsh-Healey Act to a number of canned fruits and vegetables. The products were listed and the exemption discussed in INFORMATION LETTER, No. 885, of May 30, 1942, page 7020.

In considering the question whether the term "canned" included packing in glass as well as in tin for Walsh-Healey purposes, it was discovered that the term had not been administratively defined in connection with the Walsh-Healey Act. In requesting an official interpretation on this subject from the Public Contracts Division, counsel for the Association reviewed the definition which had been promulgated for the term "canning" under the Fair Labor Standards Act, and requested the use of that definition in construing the term for the Walsh-Healey Act. This definition appears in Interpretative Bulletin No. 14, June, 1940, Par. 34, and reads as follows:

> "The term 'canning' is commonly understood to mean hermetically sealing and sterilizing or pasteurizing. Such sterilization or pasteurization is an integral part of the canning process. The term includes the necessary preparatory operations performed on agricultural or horticultural commodities before the commodities are placed in *bottles*, cans, or other hermetically sealed containers, as well as those of physically transferring the commodities to the *bottles*, cans, etc. These operations may include all types of preparations of the product such as heating, cooking, peeling, squeezing, cutting, cleaning, mixing, etc. Sealing or labeling the cans, as well as placing the cans in cases or boxes, are also included. . . ."

On July 3, 1942, the following letter was received from Administrator Walling:

"In your letter of June 26 you inquire whether the term 'canned,' as used in the Secretary's order of May 14, 1942 exempting from the provisions of the Walsh-Healey Public Contracts Act, certain canned fruits and vegetables, includes 'hermetically sealing and sterilizing in glass as well as in tin.'

"It will assure you to know that the Secretary's exemption order covers all types of canning, whether in metal, glass or other hermetically sealed containers, so long as the products are among those enumerated in that order. In other words, the term 'canned' is to be construed in the same sense as that set forth in your quotation from Interpretative Bulletin No. 14 of the Wage and Hour Division.

"Moreover, the Secretary's exemption applies to all operations performed on the contracts in question, including those specifically mentioned in the quotation referred to previously as well as any other operations, such as, for example, warehousing and shipping."

Canned Items Exempted from Walsh-Healey

The Secretary of Labor on July 9 granted an exemption from the representations and stipulations of Section 1 of the Walsh-Healey Public Contracts Act for the following nine canned fruits and vegetables: Apple butter, berries (all varieties), cabbage, cucumbers, fruit juices (all varieties), kraut, onions, tomato paste, and sweet potatoes. The exemption period runs through December 31, 1942.

These are the products listed in last week's INFORMATION LETTER when it was reported that the exemptions were being considered by the Department of Labor at the request of the Secretary of War, and are in addition to the longer list of products for which such exemptions already had been granted, as reported in the LETTER of May 23.

Walsh-Healey Exemption for Dehydrated Foods

By order of the Secretary of Labor the following list of dehydrated products have been exempted until December 31, 1942, from the requirements of Section 1 of the Walsh-Healey Public Contracts Act:

Apples	Onions
Apple sauce	Peaches
Apricots	Pears
Beans, lima	Peas
Beans, string (or snap)	Prunes, fresh
Beets	Pumpkin
Berries (all varieties)	Spinach
Cabbage	Sweet potatoes
Carrots	White potatoes
Catsup	Squash
Corn	Tomato juice
Figs	Tomato puree
Fruit juices (all varieties)	Tomato paste
Kraut	Tomatoes

OPA Explanation of Bonus to Grower

It has been pointed out by the Office of Price Administration that bonuses paid to growers in 1941 must be added to the price paid the grower in 1941 in calculating ceiling prices under Order No. 152. It was not made clear, however, just what type of payment constituted a bonus. It is now understood that OPA's ruling refers to payments made to the grower as a result of certain provisions in the grower's contract and was not intended to include gratuity payments to the grower not provided for in the contract.

CEILING FORMULA FOR CANNED FRUITS

OPA Drafts Method by Which Canners May Compute Their 1942 Maximum Prices

Price Administrator Leon Henderson followed up his announcement that ceiling prices for the 1942 pack of canned fruits would be increased all along the line from canner to consumer, as published in the INFORMATION LETTER for July 4, by disclosing to canners the actual formula to be used in computing their maximum prices for new pack fruits and berries.

The formula, which the Association distributed to canners by special mailing July 4, was worked out by OPA and a committee of canners and distributors after unsuccessful efforts to prevent conversion of higher cost of fresh fruit, labor, and transportation into increased retail prices. The formula applies only to canners of fruits and berries and only to the 1942 pack. Adjustments in wholesale and retail prices to enable the 1942 pack to move through distributing channels to consumers are being worked out and will be announced in the near future. It is expected that prices at retail will be increased by 15 per cent and more when the 1942 pack reaches store shelves. In the meanwhile, however, wholesale and retail prices must not be raised, the Administrator stated.

Basis of the formula is the average prices received by each canner on spot sales during the first 60 days of last season. In computing this year's raw material costs, canners must wait until they have bought at least 75 per cent of their individual 1942 fruit and berry requirements.

A summary of the formula follows:

To determine his maximum f.o.b. factory price, each canner is instructed to calculate the exact average price charged per dozen, f.o.b. factory, on spot sales of each kind, variety, style, and can size of fruit and berries during the first 60 days after he began to pack each fruit in 1941. To this average he adds 10 per cent to cover increased costs other than raw materials. He then adds the difference between the weighted average cost of raw material in 1941, delivered at the factory, and the weighted average cost of raw material delivered at the factory this year. This latter amount, however, must not exceed the difference between the national average price for that raw material last season, as published by the Department of Agriculture, and the highest applicable price for the particular commodity under Section 3 (the farm price section) of the Emergency Price Control Act of 1942.

In calculating raw material cost per dozen, the canner may apportion raw material cost increases to the various grade and can sizes in the same manner as he did in 1941.

As stated above, the raw material cost increase and, hence, the ceiling price, must not be computed until the canner has purchased 75 per cent or more of his 1942 raw material requirements. The ceiling price computed by applying the formula is final for this year's pack and will not be adjusted in accordance with subsequent fresh fruit purchases, the OPA release stated.

As an example of the limitation on increased raw material costs, canners are informed that no more than $23 a ton may be added in the case of apricots. The Department of Agriculture has suggested a $7 per ton increase in cling peaches, which OPA has established as the maximum raw material cost addition for that commodity.

Distributors' Price Conferences Held

Conferences were held in Washington during the week with officials of the Office of Price Administration and the Department of Agriculture for the purpose of discussing a possible adjustment of distributors' ceilings on the canned vegetables covered by Price Regulation No. 152. Representatives of the canning industry attended the meetings. The questions that were raised are still under consideration by OPA and Agriculture.

ADJUSTMENT OF GENERAL CEILINGS

Amendment Provides for Direct Application to OPA in Hardship Cases Under GMPR

Provisions under which producers, manufacturers, and wholesalers can apply directly to the Office of Price Administration for adjustment of their ceiling prices as established under the General Maximum Price Regulation are contained in an amendment to the regulation announced July 9 by Price Administrator Leon Henderson.

The effect of the amendment is to set up machinery for flexible and expeditious adjustment of all hardship cases arising under GMPR as long as the adjustment can be made without causing an increase in the general level of prices.

Amendment No. 10 rewrites Section 18 of GMPR and permits OPA to issue an order for adjustment of ceiling prices under these three circumstances:

1. For a retailer who shows that his maximum price is abnormally low in relation to his competitors and causes him substantial hardship. (This provision contains no substantive change from the original provision in the regulation.)

2. For any seller other than a retailer (manufacturers, wholesalers, etc.) who shows that (a) a maximum price is abnormally low in relation to his competitors and causes him substantial hardship, and (b) that the adjusted price will not cause or threaten to cause an increase in the level of retail prices.

3. For all sellers, including retailers, seeking relief on any other basis whose case is typical of other sellers suffering similar hardship and for whom the granting of relief will not jeopardize the purposes of the price regulation to eliminate the danger of inflation.

Until now, the General Regulation allowed applications for adjustment of out-of-line prices only by retailers. Wholesalers and manufacturers suffering hardship from out-of-line prices had to petition for an amendment to the Regulation. This amendment gives producers, manufacturers, and wholesalers the benefit of the simpler, more flexible and more expeditious procedure.

The amendment also permits "any duly authorized officer" of OPA to order adjustments in ceiling prices. This opens the way for further decentralization of the administration of price regulation by permitting the Price Administrator to designate regional officials to make adjustments in local cases. Already, regional officers are permitted to make adjustments for retailers in purely localized cases.

The amendment applies to all other maximum price regulations which have Section 18 of the General Regulation incorporated in their provisions.

The provision in the amendment, permitting adjustment in cases other than hardship caused by prices out-of-line with those of competitors, has been included to deal with other situations which cannot be defined in advance. This provision throws upon the applicant the necessity of showing not only that he is subjected to hardship but that his situation is one of a type for which there is no other form of relief, and that the hardship can be relieved without impairing the policy of OPA to eliminate the danger of inflation.

While the order for adjustment in such cases will deal directly only with the individual applicant's case, each order will be based on a study of related cases and upon a general principle applicable to similar cases.

TITLE 32—NATIONAL DEFENSE

CHAPTER XI—OFFICE OF PRICE ADMINISTRATION; PART 1499—COMMODITIES AND SERVICES

Amendment 10 to General Maximum Price Regulation[1]

A statement of the considerations involved in the issuance of this Amendment, issued simultaneously herewith, has been filed with the Division of the Federal Register.

Section 1499.18 is amended to read as set forth below:

§ 1499.18 *Applications for Adjustment.*

(a) The Office of Price Administration, or any duly authorized officer thereof, may by order adjust the maximum price established under this General Maximum Price Regulation for any seller at retail in any case in which such seller shows:

(1) That such maximum price is abnormally low in relation to the maximum prices of the same or similar commodities established for other sellers at retail; and

(2) That this abnormality subjects him to substantial hardship.

Applications for adjustment under this paragraph (a) shall be filed in accordance with Temporary Procedural Regulation No. 2.[2]

(b) The Office of Price Administration, or any duly authorized officer thereof, may by order adjust the maximum price established under this General Maximum Price Regulation for any seller other than a seller at retail in any case in which such seller shows:

(1) That such maximum price causes him substantial hardship and is abnormally low in relation to the maximum prices established for competitive sellers of the same or similar commodities; and

(2) That establishing for him a maximum price, bearing a normal relation to the maximum prices established for competitive sellers of the same or similar commodities, will not cause or threaten to cause an increase in the level of retail prices.

Applications for adjustment under this paragraph (b) shall be filed in accordance with Procedural Regulation No. 1.[3]

(c) Any person seeking relief, for which no provision is made in the foregoing paragraphs (a) and (b) of this section, from a maximum price established under this General Maximum Price Regulation may present the special circumstances of his case in an application for an order of adjustment. Such an application shall be filed in accordance with Procedural Regulation No. 1 and shall set forth the facts relating to the hardship to which such maximum price subjects the applicant together with a statement of the reasons why he believes that the granting of relief in his case and in all like cases will not defeat or impair the policy of the Emergency Price Control Act of 1942 and of this General Maximum Price Regulation to eliminate the danger of inflation.

This section shall apply to all maximum price regulations which have incorporated § 1499.18 in their provisions.

§ 1499.23a *Effective dates of amendments.* * * *

(j) Amendment No. 10 (§ 1499.18) to General Maximum Price Regulation shall become effective July 14, 1942.

(Pub. Law 421, 77th Cong.)

Issued this 9th day of July 1942.

LEON HENDERSON,
Administrator.

[1] 7 F.R. 3153, 3330, 3666, 3990, 3991, 4339, 4487, 4659, 4738, 5027.
[2] 7 F.R. 3522, 3664.
[3] 7 F.R. 971, 3663.

FROZEN FOODS CEILINGS ARE ADJUSTED

OPA Lifts Price Ceilings on 1942 Pack and Releases New Pricing Formula

Action similar to that affecting canned and dried fruits, reported in last week's INFORMATION LETTER and detailed elsewhere in this issue, was taken July 9 by the Office of Price Administration on the 1942 pack of frozen fruits and vegetables. Price ceilings on the frozen pack are to be lifted at all levels of distribution, the OPA press release states. The first step—a pricing formula for frozen food packers of fruits and vegetables—was announced July 9. Additional measures, affording corresponding price-relief to wholesale and retail distributors of frozen fruits and vegetables will be forthcoming shortly. Similar adjustments will be made for processors, wholesalers and retailers of jams, jellies, and preserves, and, effective with the opening of the 1942 crop marketing period early in September, peanuts and peanut butter either will be removed from the General Maximum Price Regulation or appropriate adjustments will be made.

As the first step in the frozen fruits and vegetable program, Price Administrator Henderson announced the new pricing formula for frozen food packers in marketing the 1942 pack. This will allow the packer to add to his weighted average price for the first 60 days of the 1941 pack the following:

(1) The actual increase in raw material costs on the 1942 pack over that of 1941, based on not less than the first 75 per cent of his purchases, provided that in the case of fruits other than berries, the amount added for raw-material cost increases shall in no event exceed the difference between the national average price for that raw material in 1941, as published by the Department of Agriculture, and the highest applicable price of that commodity under Section 3 of the Price Control Act.

However, in the case of berries on which there is no such price published by the Department of Agriculture, the increase on which the adjustment shall be based, shall not exceed 3 cents per pound to the freezer.

Furthermore, in the case of strawberries, for which a price is published by Agriculture, the maximum increase also is 3 cents per pound. This is done because in many cases the actual increase already paid on this crop amounted to more than the difference between last year's national average price and the Section 3 figure. In addition, if the packer elects to pay the grower a further amount over and above that already paid, he may take credit for such payment up to a total price of eight cents per pound.

In the case of frozen vegetables, packers may add on the actual increase in the cost of the raw commodity as of July 6, 1942, over the cost of the 1941 pack.

(2) Both frozen fruit and vegetable packers also may add to their weighted average price during the first 60 days of 1941 pack 12 per cent of that price. However, such weighted average price should first be adjusted to include seven months' storage. This 12 per cent figure takes care of such increases as direct and indirect labor, packing material, freight and cold storage.

The Administrator pointed out that the squeeze in frozen foods has fallen for the most part on the wholesale and retail distributor, rather than the packer. Frozen food packers usually sell the largest portion of their output each April on the basis of existing or anticipated raw material contracts with growers. Such packer sales usually are made on a future delivery basis over the balance of the following year. Thus, distributors, operating largely on a "first-in, first-out" sales policy—and heeding OPA admonitions against food profiteering—were frozen by March 1942 ceilings that reflected their sales generally made with merchandise produced from raw materials in April 1941.

On the other hand, most packers—who sold perhaps 80 per cent or more of their output shortly after the packing season prospects were apparent in April 1941—did make some scattered sales to distributors during March 1942 of such odds and ends remaining in their hands at the tail-end of the season. Such March sales, which thus constitute packer ceilings, because of scarcity of supplies and packer realization of higher labor costs and imminent costlier raw materials for next season's pack, were at materially higher levels than those made during April 1941.

"However," Mr. Henderson emphasized, "the new OPA formula in preparation definitely will pass on to the public only the higher costs actually involved in preparing the 1942 frozen food pack."

Where packers sold all their 1941 pack of frozen foods prior to March 1942 on a futures basis, and, thus, their only current ceiling might be one reflecting April 1941 opening season costs, OPA's formula will grant them relief. This will vary, depending upon the kind of fruit or vegetable involved.

Wholesale distributors buy from the packer and often carry frozen foods throughout most of the season until the retailer has demand for them.

Where wholesale distributors increased their prices during March, possibly to reflect prices paid for their small end-season new purchases from packers, relief may not be necessary. However, those wholesalers whose prices in March continued to reflect purchases made on the basis of opening-season 1941 prices will be aided, possibly to the extent of as much as 10 per cent.

Retailers, usually buying from wholesalers, with higher ceilings may be able to continue operations when the 1942 pack of frozen foods comes in. However, as with packers and wholesalers, relief will be confined to those retailers who previously had not boosted prices during March 1942 to reflect new purchase costs or pending ones.

Although the strawberry pack is about completed, most of the other fruits and vegetables are still in the fields. Any action periling or abolishing normal merchandising practices might well hamper or entirely blight prospects for the bumper pack, which is an essential part of the war program. Delay might cause the crops to rot in the fields. Hence, lacking Government aid in absorbing such increased costs, OPA has no alternative but to shift the increased burden onto the consumer's shoulders, the Administrator concluded.

Parity Prices for Berries Announced

Parity price figures have been computed by the Bureau of Agricultural Economics on a number of varieties of berries grown for canning, processing, drying, and for the fresh market. The figures show, as of June 15, 1942, the probable prices below which maximum price ceilings may not be imposed under the Emergency Price Control Act. The following table summarizes the information available to the Department of Agriculture with respect to these commodities as of June 15, as well as comparable data for October 1 and December 15, 1941, and average prices for July, 1919 through June, 1929. The prices and calculations in the table are based upon a review of all farm or local price data available to the Bureau through June 29, 1942. Similar prices and calculations for other fruits, as well as vegetables, were presented in the INFORMATION LETTER for July 4.

	Parity bases and price data		Parity price June 15, 1942	Actual prices 1941–42 season average[b]	Minimum ceilings under Emergency Price Control Act 110 per cent of parity June 15, 1942	Minimum ceilings under Emergency Price Control Act 110 per cent of parity July 1919–June 1929 average
	Base period[a]	Base price				
Cranberries, $ per bbl.	1909–14	[c]6.31	9.49	12.04	10.55	[d]10.58
Red raspberries, ¢ per lb.[e]	1919–29	[d]10.7	10.2	10.7	11.2	[d]10.7
Black raspberries, ¢ per lb.[e]	1919–29	[d]10.0	9.5	9.3	10.4	[d]10.0
Loganberries, ¢ per lb.[e]	1919–29	[d]5.8	5.5	5.5	6.0	[d]5.8
Gooseberries, ¢ per lb.[e]	1919–29	[d]5.2	4.9	5.1	5.4	[d]5.2
Blackberries, ¢ per lb.[e]	1919–29	[d]6.0	5.7	5.1	6.3	[d]6.0
Boysenberries, ¢ per lb.[e]	.....	[f]	.....	5.8	.....	.....
Youngberries, ¢ per lb.[e]	.....	[g]	.....	5.4	.....	.....

[a] Base period designated begins with August in earlier year and ends with July in the final year, i. e., August 1909–July 1914; August 1919–July 1929, etc. [b] Preliminary. [c] 5 season averages, 1909–13. [d] 10 season averages, 1919–28. [e] Oregon and Washington berries only; primarily for processing. [f] No data available prior to 1930. [g] No data available prior to 1932.

Sugar Quota for Schedule B Users is Increased

Sugar users in Schedule B of Sugar Rationing Order No. 3 (this includes packers of preserves, jams, jellies, fruit butters, pickles, table syrups, mincemeat, catsup, chili sauce, salad dressing, soups, tomato sauce, and other specialties) have been granted an additional 10 per cent increase in the sugar quantities they will be allotted for use in September and October. This announcement was made by Price Administrator Henderson on July 4 and canners were notified by the Association through a special mailing.

The increased allowance amounts to 10 per cent of the July and August allotments to Schedule B users, but the additional quantity of sugar granted may not be obtained until application is made for the September-October allotment, and the extra allotment applies only to that allotment period. The September-October application may be filed on or after August 15. The Office of Price Administration states that while the extra sugar thus does not become available until August 15, Schedule B users may step up their rate of consumption of sugar now in anticipation of the forthcoming increase.

AMA INVITES TOMATO PASTE, PUREE

Federal Surplus Commodities Also Is Accepting Salmon and Mackerel Offers

The Agricultural Marketing Administration announced July 10 that it would receive offers for the sale of tomato paste in No. 10 cans and tomato puree in both No. 10 and 5-gallon cans. Offers are to be submitted to the Federal Surplus Commodities Corporation by July 20 for acceptance on July 24. The paste and puree to be purchased is for future delivery.

Offers on these products are restricted to grade A. The tomato paste must have 26 per cent total solids and not exceed a 40 per cent mold count. In the case of tomato puree, the product must have a specific gravity of 1.045 or over and not exceed a 40 per cent mold count. Added salt or preservatives will be permitted.

Canners are asked in the announcement to make their offers of No. 10 cans in commercial domestic cases and their offers of 5-gallon cans uncased. Alternative offers, subject to acceptance on 15 days' notice, also are requested for the No. 10 cans in export cases and the 5-gallon cans in cases.

AMA this past week invited offers for the sale of canned salmon not covered by purchase options submitted pursuant to the announcement of June 19. Offers under this additional purchase program may be submitted to FSCC each Monday for acceptance on the following Wednesday.

AMA also mailed to Alaska salmon canners revised offer forms to be used in granting purchase options to FSCC. In an announcement sent out with the new forms, AMA pointed out that the changes incorporated in the revised forms had been the subject of discussions with a representative of the industry. Special attention was called to the postponement of the final return date from July 15 to July 25, 1942.

AMA also announced this past week that it desired to make further purchases of canned mackerel and asked for the submission of offers of sale. The announcement stated that FSCC would accept all offers at prices not exceeding $1.75 per dozen cans, basis packed in one pound cans. The purchase program is a continuing one and until further notice offers will be received each Monday for acceptance not later than the following Wednesday.

AMA-FSCC purchases of canned foods announced during the period July 4 to July 10 included 10,000 cases of tomato futures, 23,000 cases of pea futures, 164,000 cases of sardines, 12,837 cases of river herring, and 45,795,372 pounds of pork products.

New Specifications for Canned Baked Beans

Quartermaster Corps Tentative Specification C.Q.D. No. 51, dated June 3, 1942 and covering canned beans with tomato sauce and pork, along with an amendment of June 19 which deals with required ingredients and their proportions, have been drafted. They supersede Q.M.C. Tentative Specification of September 15, 1941.

The Association is advised that the Quartermaster Depot, 1819 W. Pershing Road, Chicago, is procuring canned baked beans for overseas use under this new specification. Canners interested in offering this product to the Army should address a letter to the Commanding General of that depot, requesting that their names be placed on the list for invitations to bid. Along with bid-forms they will receive copies of the specification and amendment.

Canned Red Sour Cherry Purchase Program Is Announced by Department of Agriculture

Under its recently announced program, the Agricultural Marketing Administration offers to purchase after March 1, 1943, canned cherries from processors at $1.50 per dozen for No. 2 size cans and $7.50 per dozen for No. 10 sizes for water pack of U. S. Grade C (Standards) or better—less 5 per cent normally allowed for brokerage and cash discounts. Purchases will be made, however, only from canners who furnish satisfactory evidence to AMA that they paid growers at least 5 cents per pound for the raw fruit on the basis of U. S. No. 1 grade delivered to the canning plant. This grade includes a tolerance of 5 per cent for defects and an additional 2 per cent for stems.

Purchases made under the program will be in addition to the quantities of canned cherries to be bought for the military forces and for Lend-lease shipment. This quantity, under recently-amended Order M-86-a, which was published in a supplement to the INFORMATION LETTER for June 27, now represents 44 per cent of the 1942 canned cherry pack.

The program, available to any canner of red sour cherries in the United States, was developed in cooperation with representative committees of growers and canners who met recently with AMA representatives in Washington, D. C. By providing an additional outlet for canned cherries, at the specified prices, marketing officials believe that growers and canners should be able to proceed with the processing of the crop and to conserve food supplies which otherwise might remain unharvested.

Announcement of the above program was made in a special Department of Agriculture press release issued too late to be included in last week's LETTER but which was mailed by the Association to cherry canners on July 4.

Amendment to Order M-81 Is Issued

The Director of Industry Operations of the War Production Board today authorized the use of tinplate or terneplate cans on hand or in process on July 1 for certain products now omitted from the permitted categories of Order M-81.

A revision of that order, issued on June 27, prohibited the manufacture or use of tinplate or terneplate cans for certain chemicals, paints, and other "special products", except for those cans which had been manufactured by February 11, the date of issuance of the original M-81 regulations.

The July 9 action (Amendment No. 1) changes the above date to July 1, thus permitting the use of cans already made up and of parts already prepared for assembly.

The amendment makes it clear that the use, sale, or delivery of cans which were manufactured in violation of any applicable WPB order is not permitted by the release of the can inventories involved.

New Service for PD-1A Applicants

A new service for applicants for priority assistance who use individual PD-1A certificates was announced July 7 by the War Production Board.

If applicants will enclose with their application blank a self-addressed post card, the case number assigned to their application will be stamped on the card, and it will be returned to them to facilitate handling of subsequent inquiries with respect to the application. All inquiries concerning applications should be submitted in writing.

To avoid unnecessary correspondence, applicants are requested not to make inquiries concerning their cases for two weeks after they have been received by WPB. This is the maximum time normally required to process an application, and usually the application will either be granted or denied in a shorter time. If there is a delay beyond two weeks, or if for any reason supplementary information is submitted, use of the case number in correspondence will expedite handling and assure a prompt reply.

N. C. A. Salmon Inspection Laboratory Moved

The Salmon Inspection Laboratory of the National Canners Association has been moved to the Spokane Street Terminal, Seattle, Wash. Sale of Pier 40 to the Navy necessitated this change from the former location. Since much of the salmon will be stored on the dock of the Spokane Street Terminal and on the adjoining Lander Street Dock, it is believed the new location will be advantageous. A well-equipped and well-lighted cutting room has been built on a mezzanine floor of the new location.

In the future, salmon pack reports and other mail relating to inspection should be addressed as follows: Salmon Inspection Laboratory, National Canners Association, Spokane Street Terminal, Seattle, Wash. The new phone number for the laboratory and its staff—O. Eugene Shostrom, Dr. Louis Fischer, and Wallace B. Crose—is Elliott 5459.

ODT Issues Booklet for Truck Owners

Proper maintenance of America's trucks is the subject of a new booklet prepared by the Vehicle Maintenance Section, Division of Motor Transport of the Office of Defense Transportation and distributed to truck owners and operators. The booklet carries explanatory illustrations and presents recommendations on such subjects as periodical inspections, loading, tire inflation, driving rules, etc.

ODT also announces the formation of the U. S. Truck Conservation Corps, in which it is having the cooperation of truck, tire and parts manufacturers, and the oil companies' filling stations. Every truck owner who pledges himself to practice the proper preventive maintenance and shows the signed pledge contained in the pages of the booklet to an official station of the Corps (dealers, garages, service stations, etc.) will receive a red, white and blue decalcomania reading "Pledged—U. S. Truck Conservation Corps." Displayed on his trucks, this insignia will identify the owner as cooperating in the campaign to keep America's trucks rolling in the supply of military and necessary civilian requirements.

ODT Truck Regulations Being Revised

The Office of Defense Transportation has advised that the regulations affecting canners' trucks are being revised and that they will be issued in the near future. It is hoped that these revised regulations will provide the relief that has been requested for canners. The ODT has stated that if the revised regulations are not ready for issuance before July 15 the date the present regulations are to become effective will again be extended.

UNIFIED PACKAGING SYSTEM PLANNED

Coordination of Container Standards, Procedures Is Aim of New WPB Section

Houlder Hudgins, Acting Director of the Division of Purchases, has announced that he has set up within the Division a new section designed to insure against waste of shipping space in ships carrying war materials and supplies.

It is called the Container Coordinating Section and its functions are as follows:

1. To coordinate container and packaging standards and procedures to insure, in so far as reasonably possible, that shipments to the armed forces and others reach destinations in satisfactory condition.

2. To coordinate the efforts of the Army, Navy, Maritime Commission, and other agencies concerned with the problem of reduction of shipping space wastage by means of improved containers and packaging methods.

3. To organize and train a staff of inspectors who will work at terminal points through which shipments move, will report all instances of poorly designed containers and space wastage, and who will recommend changes to be presented to the war procurement agencies through the Section.

4. To apply to containers the policies of the Purchases Division and Purchase Policy Committee.

Albert Weigand Luhrs, who has been with the War Production Board since last September as chief consultant on containers, has been appointed chief of the new section.

Mr. Hudgins said that a Container Coordinating Committee of the various war procurement agencies also has been set up. Mr. Luhrs is chairman of this committee. Also on the committee are representatives of the Army, Navy, Maritime Commission, Lend-lease, Treasury Procurement, Office of Defense Transportation, Container Branch of WPB, and others may be designated from time to time by the Division of Purchases.

The Container Coordinating Committee is intended to integrate all problems dealing with the use of containers for the packaging of all war materials and supplies. The committee will:

1. Establish uniform specifications for containers and packing materials of all kinds.

2. Prepare uniform procedure for application of preservatives against corrosion, and for protection against moisture.

3. Provide information necessary for planning the procurement of containers.

4. Cooperate with the Containers Branch of WPB so that the scheduled production of containers may be realized.

5. Consider cases of conflicting interests that may affect full production of containers and make recommendations for satisfactory solution.

6. Make recommendations to the proper branch of WPB to alleviate possible shortage of containers and packing materials.

7. Prepare designs of containers that permit economical utilization of transportation facilities.

8. Prepare uniform procedures for packaging that result in efficient distribution of supplies in the field.

Explanation of Priorities Regulation No. 10

Each purchase order issued by a canner must carry the appropriate purchaser's symbol or symbols and a numerical allocation symbol. At the time Priorities Regulation No. 10 was issued, no provision was made for the breakdown of the purchaser's symbol when the canner could not foretell the ultimate destination of his products. As indicated in last week's INFORMATION LETTER, it was pointed out to the War Production Board that a canner cannot, when issuing a purchase order for tin cans, predict what portion of these cans, when filled with food, will go to the Army, or to the Navy, or for Lend-lease, etc. Consequently, he could not indicate on his purchase order the purchaser's symbols with their appropriate percentages. A canner may, however, from Order M-86-a, show the percentage of each product that probably will be purchased for government agencies.

WPB has ruled that the canner may use the purchaser's symbol USA with the percentage indicated in M-86-a; for example, the canner purchasing cans for packing tomatoes would use the symbols USA 35%, DP 65%—14.00. The same set of symbols would be used on a purchase order for machinery and equipment to be used for packing tomatoes. If, however, an order is placed for machinery or equipment to be used on a number of products, the percentages used with the purchaser's symbols must be calculated from the percentages of the various products.

For example, a purchase order for equipment to be used in packing a number of products would carry the purchaser's symbols USA and DP with the percentage for USA calculated as follows:

The number of cases of all of these products that are to be reserved or sold out of the 1942 pack to the Government should be divided by the total estimated 1942 pack of these same products. The percentage following the purchaser's symbol DP on such an order would be the difference between 100 and the USA percentage.

Army Moves to Acquire Stevens and Congress

The War Department has instituted proceedings in the U. S. Courts at Chicago for the purpose of taking over the Stevens and Congress hotels there for use of the Army Air Corps. The court has acted favorably on the petition but final decision has not yet been made. It is announced that if the court's action is accepted by the War Department these two hotels will be taken over by the Government on August 1.

Tax Bill Proviso for Non-calendar Fiscal Year

The House Ways and Means Committee currently has under consideration a proposal, advanced by government tax experts during the closing days of the hearings, that there be included in the new revenue act a provision requiring that the new 1942 corporate tax rates be applicable, with certain exceptions, on a proportionate basis to all corporations whose fiscal years ended after January 1, 1942. The suggestion would mean that a company whose fiscal year ended on May 31, 1942, would pay taxes at the 1941 rates on seven-twelfths of its taxable income for the fiscal year and at the 1942 rates on five-twelfths of such taxable income.

This proposal is now under consideration by the Committee which is engaged in drafting the new tax bill, and it probably will be included in the measure when presented to the House. The argument which has been advanced in support of it is that where tax rates materially increase from one calendar year to another, a corporation whose fiscal year bridges two calendar years is afforded a considerable advantage.

The objections to the proposal include the contention that companies engaged in seasonal operations necessarily must use a fiscal year different from the calendar year properly to reflect their income and that it is inequitable to change the applicable tax rates where such companies have already completed their fiscal years and have endeavored to make adequate provision for Federal tax. It is likewise pointed out that at a time when tax rates might decrease, a corresponding disadvantage will accrue. A somewhat comparable provision was contained in Section 105 of the Revenue Act of 1932.

Nelson Announces Reorganization of WPB

Reorganization of the War Production Board was announced July 8 by Chairman Donald M. Nelson, along with shifts and appointments to top executive positions. Mr. Nelson stated that the reorganization is for the following purposes:

1. To control production by a more efficient flow of scarce materials through a more compact organization.

2. To bring the Board into closer touch with military and international requirements and over-all war strategy.

3. To strengthen the policy, programming and progress-reporting organization.

4. To concentrate the operational sections under one head.

5. To lighten the administrative load on the chairman so that he can devote more time to policy decisions and relations with other war agencies.

The chief personal change is a provision for two vice chairmen. One of these is William L. Batt, who will serve as Mr. Nelson's general assistant and deputy. Mr. Batt will relinquish his chairmanship of the WPB Requirements Committee to fill the new post, but will continue as a member of that group. The other vice chairman will be James S. Knowlson, former Director of Industry Operations, who also becomes chairman of the Requirements Committee.

The Operating Section of WPB is placed under a Director-General for Operations, this post to be filled by Amory Houghton, former deputy chief of the Bureau of Industry Branches.

Dried Fruit Grower Prices Announced

The Department of Agriculture announced recently the prices to be paid West Coast growers of dried peaches, apricots, pears, apples, raisins, and prunes in connection with the program to encourage an adequate pack of dried fruits to meet the increasing demands of the armed forces, Lend-lease shipments, and civilian consumers.

The Department's dried fruit purchase program provides that announced grower prices will be supported through purchases by the Agricultural Marketing Administration, and that processors would be requested to reserve a part of their 1942 pack for government purchase.

Grower prices to be paid by the AMA for these dried fruits will average, roughly, per ton: Peaches, $280; apricots, $340; pears, $220; apples, $260; raisins, $105; and prunes, $135.

Processors probably will be requested to reserve the following percentages of their 1942 pack of each dried fruit for government purchases, the Department stated: Apples and pears, 70 to 75 per cent; peaches, 45 to 50 per cent; apricots, 50 to 55 per cent; and raisins and prunes, 40 to 45 per cent. The definite percentages will be announced later, the Department advises.

OPA AMENDS CANNED VEGETABLE CEILING

(Continued from page 7087)

largest amount during the calendar year 1941. (It should be noted that while the weighted average *sales price* is limited to a 60-day period, the determination as to which of the grades and can sizes on which a price ceiling can be computed represents the *largest pack*, is based on the entire calendar year 1941.) Having selected from among those grades and container sizes for the particular canned vegetable the one representing the largest pack, the canner then adds or subtracts the differentials, in dollars and cents, that existed between it and those items for which he has no price ceiling. He must use the dollars and cents differentials which appeared in his quoted 1941 future price list, or if he had no such future price list the differentials in his 1941 opening spot price list.

The regulation provides that the differentials are to be applied for each "particular kind of canned vegetable." Presumably, this means that differentials may be applied on the basis customarily employed, *e.g.*, canned peas may be classified according to variety, but all sieve sizes, grades and can sizes within the variety may be taken together. For example, a pea canner who packs Alaskas in three sieve sizes and three grades in both No. 2 and No. 10 cans, or 18 items in all, may find that he can, according to the original formula, compute his ceilings for only two items, namely, a No. 2 Extra Standard 3-sieve and a No. 10 Standard 4-sieve. Having done so, he next determines as between these two items, on which he has been able to compute a ceiling, the one of which he packed the greatest number of dozens in the entire calendar year 1941. Against the ceiling price of that item alone he must apply the 1941 differentials to determine the ceiling price of the 16 other items. Thus the base on which differentials are applied must be the product, *from among those on which he can compute ceiling prices*, of which he packed the largest amount in 1941 even though some other grade or container size might be more advantageous or represent his most important grade or can size.

Where he does not have historical 1941 differentials, as will be the case on new items, or where he has no May 4, 1942, raw material cost data and thus cannot compute any ceiling prices for the particular vegetable, he then uses the ceiling price of his most closely competitor canner.

It is likely that in many cases this required new method will necessitate the recomputation of many price ceilings. Where price ceilings already have been filed, amended or revised price ceilings should be filed.

Two-Pack Canners of Snap Beans

In its original form Maximum Price Regulation No. 152 provided (Section 1341.30) that if any canned vegetable was packed twice during the calendar year 1941 at the same factory, the earliest pack should be used for the purpose of computing maximum prices. Many canners of snap beans found that their maximum selling prices were low in relation to competitors who packed snap beans only during the fall of the year. This situation was brought to the attention of OPA, and in the Statement of Considerations Mr. Henderson recognizes that approximately 85 per cent of all canned snap beans are produced in areas where only a fall pack is carried on, and that the remaining 15 per cent is packed in areas where both a spring and fall pack are produced. Canners in the two-pack areas were placed at a disadvantage.

In order to afford a measure of relief, Amendment No. 3 now permits those canners to include sales of snap beans both during the 60 days following the spring pack and the 60 days following the fall pack in calculating the weighted average price per dozen for each kind, grade, and container size. Similarly, the price of the raw material in both packing periods must be averaged in computing increases in raw material costs. The resulting ceiling prices will reflect both spring and fall prices.

Delivered Prices

All prices under Regulation No. 152 are calculated on an f.o.b. factory basis regardless of whether the canner had any established practice of selling on an f.o.b. factory basis or on a delivered price basis. A canner who sold on a delivered basis was required to reduce all of his calculations to an f.o.b. factory basis.

Some confusion has resulted concerning the application of this provision with respect to delivered prices. Some canners interpreted the order to mean that where a canner sold on a uniform delivered price basis throughout a given area, he would be permitted to add to his maximum f.o.b. factory price only the actual freight involved in any particular delivery. Mr. Henderson has recognized that such a requirement might "completely upset selling policies of long standing." In order to avoid such disruption, a canner who sold on an established delivered price basis in 1941 is now permitted to determine his average 1941 freight charge for each area and add that average freight factor to his f.o.b. factory price. This method of determining ceiling prices on a delivered or freight prepaid basis is optional. No allowance for increased freights in 1942 is made; only the 1941 average freight on all sales in the area selected may be added if this method is used.

It is interesting to note, however, that this part of the amendment (Section 1314.22) permits this average 1941 freight to be added on the basis of "brand" as well as on kind, grade, and can size.

The full texts of the Statement of Considerations and of Amendment No. 3 are reproduced below:

Statement of Considerations

I. DELIVERED PRICES

It has been the practice for some canners to sell their products on the basis of a uniform delivered price in all sections of the country or in certain areas. Maximum Price Regulation No. 152 established maximum prices f.o.b. factory for canners who customarily sold on a delivered price basis as well as canners, comprising the vast majority, selling on an f.o.b. factory price basis. The accompanying amendment permits canners who had an established delivered price basis in 1941 to compute an average freight factor of the freight charges made for each kind, grade and container size of canned vegetables. These canners are permitted to add the average freight factor charged in 1941 to the f.o.b. factory maximum price, thus establishing a maximum delivered price. Until the issuance of this Amendment, after a maximum price had been determined, a canner selling on a uniform delivered price basis would be permitted to add to his maximum price f.o.b. factory only the actual freight involved in any particular delivery. Such a requirement, it was found, would in some cases completely upset selling policies of long standing. In order to avoid such disruption, a canner who sells on a uniform delivery price basis is permitted to add the average 1941 freight charge to the f.o.b. factory price for the 1942 pack.

In the judgment of the Price Administrator the average of canners' maximum prices will not be increased by permitting canners to continue their established practice of selling on a delivered price basis, nor will any upward pressure be exerted on March retail or wholesale ceilings, and the effective distribution of the 1942 canned vegetable pack will be assisted.

II. TWO-PACK CANNERS

In certain sections of the country, notably the Southwest, canned snap beans are packed both in the spring and in the fall, the spring pack beginning in February and the fall pack in August. In most areas, however, only a fall pack is manufactured. Approximately 85 per cent of canned snap beans are produced in areas where fall packing only is the rule.

Beginning in July, 1941, there was a steady advance in the price of snap beans at the cannery level and also at retail, as shown in Tables I and II, attached hereto. Because of the requirement of Maximum Price Regulation No. 152 that canners who pack both in the spring and in the fall must regard the spring pack as the 1941 pack for the purpose of computing a maximum price, such canners are compelled to begin their calculations at a level decidedly below that used by canners who pack only in the fall of the year. Packing costs have advanced since the spring of 1941. Because such two-pack canners start their computations from the low selling price levels prevailing in the spring of 1941, their calculated maximum prices are low in relation to 1942 packing costs. For the same reason their maximum selling prices are low in relation to their competitors who pack only during the fall of the year.

In the judgment of the Price Administrator the maximum prices of the two-pack canners who are required to compute their maximum prices on the basis of their 1941 spring pack, are well below the level that wholesalers and other direct buyers can afford to pay based upon the highest price which they charged in March, and in the case of spring and fall packers of snap beans, the proceeds from the sale at retail are not being equitably distributed between retailers, wholesalers and processors.

The calculated average of maximum prices based upon the weighted average of prices during the first 60 days after the beginning of the spring 1941 pack is $.87 per dozen f.o.b. factory for No. 2 standard cut green beans. This average is obtained from the maximum price reports filed with the Office of Price Administration in accordance with Section 1341.26 of Maximum Price Regulation No. 152. The calculated average of maximum prices based upon the weighted average of selling prices during the first 60 days after the beginning of the fall 1941 pack is $1.043 per dozen f.o.b. factory for No. 2 standard cut green beans. On the basis of studies and surveys made by this Office, it has been estimated that the retail maximum price will permit direct-buying retailers to pay up to $1.06 per dozen f.o.b. factory for No. 2 standard cut green beans, and will enable wholesalers to pay up to $1.03 per dozen for the same commodity, without impairing the ability of retailers and wholesalers to operate on a reasonable profit basis. (See Table III.) Because maximum prices for snap beans based on the 1941 spring pack are so low as to endanger maximum production of this important commodity, and because the adjustment provided for in the accompanying Amendment No. 3 will in no way threaten the March wholesale and retail ceilings, it is necessary and proper, in the judgment of the Price Administrator, to issue this Amendment No. 3. The result of the issuance of this amendment will be to equalize the positions of the spring and fall canners of snap beans. Two-pack canners will use as a base the weighted average price for the 60 days following both the spring and fall 1941 packs, and will use as the average cost of raw materials for 1941, the cost for the entire year's pack. It is estimated, on the basis of studies and surveys made by this Office, that maximum prices computed in this manner will range from $.95 to $1.02 per dozen f.o.b. factory, levels wholly consistent with distributors' ceiling prices.

III. USE OF DIFFERENTIALS

Under Maximum Price Regulation No. 152 if the maximum price for any kind, grade and container size of any canned vegetables cannot be determined by use of the formula set forth in Section 1341.22, the canner is required to use as his maximum price the maximum price of his most closely competitive canner. In order to complete a list of maximum prices for a commodity packed in numerous sizes, grades and styles, such as corn or peas, canners found it necessary to seek out numerous competitors before a full schedule of maximum prices could be obtained. In many cases it has been impossible for canners to obtain a full list of maximum prices in this manner.

After lengthy consultation with the canning industry, the Price Administrator in the accompanying Amendment No. 3 has authorized canners to use the differentials between grades and sizes which were evidenced by 1941 future or opening price lists. Under the Amendment, a canner must continue to compute all sizes and grades he is able to compute according to paragraphs (a), (b) and (c) of Section 1341.22. Differentials may not be used to determine the price for any grade or container size the price for which can be thus computed. As for other grades and sizes, the canner must select from among the computed prices the size and grade for each vegetable of which he packed the greatest number of dozens in 1941. It will thus not be possible for the canner to choose as a base upon which to compute price differentials

the size and grade for which his computed maximum price happens to be the most favorable. Also, canners are required to use dollar and cent differentials, taken from future price or opening spot price lists issued in 1941, rather than percentage differentials. For this reason, it is the judgment of the Price Administrator that the accompanying Amendment No. 3 will not raise the general level of canners' ceiling prices, but will simplify the canner's pricing problem and help to eliminate anomalies. In this way the orderly marketing of the 1942 canned vegetable pack will be assured.

TABLE I

MONTHLY AVERAGE, F.O.B. FACTORY PRICES, NO. 2 STANDARD CUT GREEN BEANS, PER DOZEN

Date	Eastern	Central
January, 1941	$ .70	$ .76
February, 1941	.75	.77
March, 1941	.79	.78
April, 1941	.83	.79
May, 1941	..	..
June, 1941	.75	..
July, 1941	.79	.75
August, 1941	.92	.85
September, 1941	.93	.84
October, 1941	1.02	1.05
November, 1941	1.10	1.20
December, 1941	1.10	1.08
January, 1942	1.10	1.10
February, 1942	1.15	1.10
March, 1942	1.20	..

Source: Agricultural Marketing Administration.

TABLE II

AVERAGE RETAIL PRICES IN 51 CITIES, NO. 2 STANDARD CUT GREEN BEANS

1941	Cents per can
January	10.0
February	10.1
March	10.2
April	10.4
May	10.5
June	10.7
July	10.8
August	10.9
September	11.1
October	11.4
November	11.9
December	12.3
1942	
January	12.5
February	13.1
March	13.6

Source: Bureau of Labor Statistics.

TABLE III

NATIONAL AVERAGE OF PRICES DIRECT-BUYING RETAILERS AND JOBBERS CAN PAY. BASED ON A STUDY OF MAXIMUM SELLING PRICES AND CUSTOMARY PROFIT MARGINS—NO. 2 STANDARD CUT GREEN BEANS

Type of Distributor	Can pay delivered	Average freight	F.O.B. factory price
Direct-Buying Retailers	$1.14	$ .08	$1.06
Jobbers	1.11	.08	1.03

Source: Surveys made by Office of Price Administration.

Text of Amendment No. 3 to Regulation No. 152

Section 1341.22. *Canner's maximum prices for canned vegetables.*

(h) (1) Any canner who sold and delivered a particular brand of canned vegetable packed by him during the calendar year 1941 on an established prepaid freight, freight allowed, or delivered price basis may add to the maximum price per dozen f.o.b. factory computed for each grade and container size of such canned vegetable under paragraphs (a), (b) and (c) of this section the average freight factor which he added to his f.o.b. factory price during the calendar year 1941 for such grade and container size of such brand of canned vegetable. The resulting price shall be the canner's maximum delivered price for such brand of canned vegetable for the area in which such average freight factor applied in 1941.

(2) Every canner who makes sales and deliveries of a particular brand of canned vegetable on a prepaid freight, freight allowed or delivered price basis shall file with the Office of Price Administration on or before August 15, 1942, a statement under oath or affirmation showing his maximum price per dozen f.o.b. factory, the average freight factor which he added to his f.o.b. factory price during the calendar year 1941, and the maximum delivered price for each kind, grade, brand and container size of canned vegetable packed after the 1941 pack.

(i) If any canned snap beans (green or wax) were packed more than once during the calendar year 1941 at the same factory, the maximum price per dozen f.o.b. factory for each kind, grade and container size of canned snap beans (green or wax) packed after the 1941 pack shall be:

(1) The weighted average price per dozen charged by the canner f.o.b. factory for such grade and container size during the first 60 days after the beginning of the spring 1941 pack and the first 60 days after the beginning of the fall 1941 pack; plus

(2) Eight per cent of the weighted average price per dozen f.o.b. factory as determined under paragraph (i) (1) of this section; plus

(3) The actual increase per dozen cans in the cost of the raw agricultural commodity as of May 4, 1942, over the cost of the raw agricultural commodity for the entire 1941 pack.

(4) In determining the canner's maximum price for canned snap beans (green or wax):

(i) The "weighted average price" shall be the total gross sales dollars charged for each grade and container size divided by the number of dozens sold for such grade and container size, for the 60-day period after the beginning of the spring 1941 pack and the 60-day period after the beginning fall 1941 pack.

(ii) Except insofar as provided to the contrary in this paragraph (i) all other paragraphs of this section shall apply to the canner who packed canned snap beans (green or wax) more than once during the calendar year 1941. The second sentence of paragraph (a) (4) in Section 1341.30 shall not apply to the canner of canned snap beans.

(j) If the maximum price for some grades and container sizes of a particular kind of canned vegetable can be computed under paragraphs (a), (b) and (c) of this section, and the maximum price of the remaining grades and container size of such canned vegetable cannot be so computed, the canner shall select from the grades and container sizes the maximum prices for which have been computed under paragraphs (a), (b) and (c) of this section that grade and container size of which the canner packed the largest number of dozens during the calendar year 1941, and add or subtract from the maximum price of that grade and container size the same differentials, in dollars and cents, that existed between that grade and container size, and the grade and container size being priced, in the quoted 1941 future price list of such canner, or if no such quotations were made in 1941, such canner's 1941 opening spot price list.

WPB Is Checking Compliance with Orders

The Compliance Branch of the War Production Board announced July 9 that it is making a study of the extent of compliance by canners with the various orders regulating conservation of tin and terneplate, reservation of packs for the Government, and canning machinery repair and maintenance. Field examinations will be made, it is stated, with the assistance of inspectors from the Wage and Hour Division of the Department of Labor.

Finding that some companies have not yet filed reports of their seasonal packs, as required by Orders M-86 and M-86-a, the Compliance Branch has designed a questionnaire to obtain such information. This questionnaire also provides space for information as to compliance with tin conservation and repair and maintenance orders.

Amendment Provides for Farm Machinery Tires

Purchasers of new and rebuilt tractors, farm implements and other vehicles that are sold without tires will be able to get casings and tubes for them by satisfying conditions announced by the OPA on July 8.

Until changed by Amendment 19, effective July 15, the Revised Tire Rationing Regulations made provision only for issuances of certificates for replacements and spares. Under the new procedure, a local War Price and Rationing Board may issue original equipment certificates when the buyer of a new or rebuilt vehicle which is to be put to an eligible use submits an affidavit from the seller setting forth a satisfactory reason for delivery without tires and tubes.

The vehicles for which original equipment tires are made available in this amendment are described as "any unused or rebuilt vehicles, including passenger cars, trucks, tractors, trailers, farm implements and off-the-road equipment which have not yet been transferred by the manufacturer, rebuilder or dealer to the persons who will use them for their intended purposes." OPA emphasized that mere changeover from steel wheels to wheels requiring rubber tires does not constitute "rebuilding."

Certificates for the purchase of tractor or implement tires only may be issued for original equipment or replacement on tractors and combines and only implement tires may be granted for other farm implements. Implement tires are readily identifiable, OPA Administrator Leon Henderson pointed out, as they have the word "implement" or the name of a type of farm equipment molded into the sidewall.

July 15 is Price Data Deadline

The Office of Price Administration has asked that the attention of all fruit and vegetable canners again be called to the fact that their price ceilings must be filed with OPA before July 15. If, for any reason, it is impossible to file price ceilings before that date, canners should write to OPA explaining all of the facts. OPA wishes to emphasize the fact that the deadline is July 15 and that all canners must file their reports prior to that date.

Fruit and Vegetable Market Competition

Supplies of tomatoes and spinach on the fresh vegetable market for the week ending July 4, 1942, were larger than for the corresponding week in 1941, but supplies of snap and lima beans and green peas were smaller, according to the Agricultural Marketing Administration, as evidenced by carlot shipments.

Supplies of citrus fruits also were smaller for the week ending July 4, 1942, than for the same date a year ago.

The following table, compiled from statistics of the Agricultural Marketing Administration, gives detailed comparisons of carlot shipments on certain dates of selected vegetables and fruits:

Vegetables	Week ending— July 4, 1941	July 4, 1942	June 27, 1942	Season total to— July 4, 1941	July 4, 1942
Beans, snap and lima	39	7	18	3,737	4,557
Tomatoes	743	753	1,571	11,890	14,698
Green peas	158	118	71	3,021	2,842
Spinach	5	11	2	5,089	6,081
Others:					
Domestic, competing directly	422	509	625	32,225	38,488
Fruits					
Citrus, domestic	2,965	2,623	2,719	139,849	148,499
Others, domestic	1,778	1,856	1,999	5,737	5,630

RETAILING OF FISH IS SURVEYED

Practices Reported Cover 56 Cities in Eastern Third of United States

The May issue of *Fishery Market News*, monthly publication issued by the Fish and Wildlife Service of the U. S. Department of Interior, features an article entitled "Retailing Fresh Fish in 56 Cities in the Eastern Third of the United States" which was based on a survey in which 9,849 food stores were visited in the following regions: North Atlantic, Middle Atlantic, South Atlantic, South Central and Gulf, South Appalachian, Great Lakes, East Central, and Central.

Investigation was made of the volume of fish consumption, character of the retailing, and species of fish sold, along with comparisons of fish-purchasing practices racially and geographically.

The survey indicates, as pointed out in the article, that in general two factors seem to be associated with towns showing the largest fish consumption: (1) The proximity of the town to a major commercial fishery; (2) The presence of a large negro population. The influence of one or both

of these factors was especially indicated in the consumption figures for Boston, Norfolk, Portsmouth, Baltimore, Mobile, Richmond, and Jacksonville. Consumption of all fishery products and of fresh fish alone is greatest in these cities, all of them close to an important commercial fishery and with one exception having a population with a relatively high percentage of negroes.

Use is made in the survey of data collected by the Bureau of Labor Statistics of the Department of Labor. A portion of this is the following table which gives comparisons of the percentages of white and negro families in purchases of specified kinds of fishery products during certain one-week periods in 1934-1936:

City	Families surveyed	Kinds of fishery products — Fresh	Canned	Cured	Oysters	Other
	Number	Per cent	Per cent	Per cent	Per cent	Per cent
Baltimore						
White	314	51	10	2	7	6
Negro	95	75	13	..	2	..
Birmingham						
White	202	12	18	1	15	2
Negro	101	28	15	1	7	1
Cincinnati						
White	282	36	15	2	3	1
Negro	81	51	6	..	..	1
Indianapolis						
White	178	20	12	..	1	1
Negro	101	43	4	..	..	..
Jackson						
White	108	9	19	..	1	2
Negro	46	24	9	..	4	..
Kansas City						
White	252	16	18	1	2	..
Negro	68	25	13	..	..	..
Louisville						
White	117	26	18	..	3	1
Negro	62	50	11	..	2	1
Memphis						
White	114	16	16	..	4	..
Negro	86	33	5	..	..	..
Mobile						
White	129	20	21	..	34	5
Negro	94	39	9	..	15	6
Norfolk-Portsmouth						
White	128	55	12	3	2	2
Negro	75	88	12	3	4	1
Pittsburgh						
White	346	29	15	1	3	1
Negro	97	41	10	1	7	..
Richmond						
White	156	27	21	7	32	1
Negro	86	63	15	7	15	..
St. Louis						
White	264	29	29	1	2	1
Negro	106	42	10	..	..	1
All cities						
White	2,500	28	17	1	7	2
Negro	1,068	47	10	1	4	1

In every city, the survey discloses, the percentage of negro families reporting the purchase of fresh fish exceeded the percentage of white families reporting such purchases. On an average, it is stated, 47 per cent of the negro families reported the purchase of fresh fish as compared to 28 per cent of the white families. On the other hand, white families reported the purchase of canned fish more frequently than negro families in all cities except Baltimore and the Norfolk-Portsmouth area.

Another table, also taken from the data collected by the Bureau of Labor Statistics, and presented below, shows the variation in the percentage of white families in various cities reporting the purchase of specified kinds of fishery products during certain one-week periods of 1934-36:

City	Families surveyed	Kinds of fishery products — Fresh	Canned	Cured	Oysters	Other
	Number	Per cent	Per cent	Per cent	Per cent	Per cent
Baltimore	314	51	10	2	7	6
Birmingham	202	12	18	1	15	2
Boston	425	70	19	5	3	4
Buffalo	243	48	21	1	2	2
Cincinnati	282	36	15	2	3	1
Cleveland	211	33	18	2	..	1
Columbus	170	15	12	..	19	1
Detroit	262	22	30	3	1	1
Grand Rapids	130	17	35	3	2	1
Indianapolis	178	20	12	..	1	1
Jackson	108	9	19	..	1	2
Jacksonville	155	41	18	..	11	10
Kansas City	252	16	18	1	2	..
Lansing	83	14	32	2	4	1
Louisville	117	26	18	..	3	1
Memphis	114	16	16	..	4	..
Milwaukee	333	24	18	4	..	7
Minneapolis, St. Paul	358	19	26	3	1	1
Mobile	129	20	21	..	34	5
Norfolk, Portsmouth	128	55	12	3	2	2
Pittsburgh	346	29	15	1	3	1
Richmond	156	27	21	7	32	1
Rochester	140	34	32	8	3	2
Scranton	231	42	18	..	2	..
St. Louis	264	29	29	1	2	1
All cities	5,331	32	20	2	5	2

Canned fish was purchased by only about two-thirds as many families as purchased fresh fish. Canned fish was included on grocery lists more frequently in Grand Rapids, Lansing, Detroit, Rochester, St. Louis, and Minneapolis and St. Paul than elsewhere.

Other features of the survey, as revealed by the article, show that the studies covered combination groceries, groceries without meat, meat and fish markets and other types. One section is given over to details of the more than 100 species of fish and shellfish sold in the areas covered and tables are presented covering the percentages of the different types of stores, percentages of fish sales by days of the week, the part played by advertising and merchandising and the percentages of fish volume sold by specified forms (whole, fillets, steaks). This same information is compiled for the different types of stores—(independent, fish market, chain, etc.).

Reprints of the article describing this fish survey are obtainable on request directed to the Fish and Wildlife Service, U. S. Department of the Interior, Washington, D. C.

Evaporated and Condensed Milk Statistics

The May pack of evaporated milk, estimated by the Bureau of Agricultural Economics of the Department of Agriculture at nearly 441 million pounds, was the largest for any month of record. Stocks of evaporated milk in manufacturers' hands increased about 72 million pounds during May. On June 1, 1942, manufacturers' stocks totaled about 295 million pounds, compared with 174 million pounds on the same date last year and 288 million pounds on June 1, 1940.

Production of sweetened condensed milk (case goods) in May totaled about 4.4 million pounds—less than half that in May last year but close to the 1936-40 average for the month. Stocks of condensed milk held by manufacturers declined during May and on June 1, 1942, totaled only a little more than eight million pounds, compared with more than 10 million pounds a year earlier.

Order Would Clear Ports of Excess Cargo

Joseph B. Eastman, Director of the Office of Defense Transportation, recently issued a general order which makes it possible for ODT to remove from United States ports any freight cargo when necessary to assure expeditious movement of troops and war materials.

The Order (General Order No. 12), effective June 27, authorizes the Director of ODT's Division of Railway Transport to require any railroad serving a port to move to such destination as the ODT may specify, "any export, coastwise or intercoastal shipment of freight which it may have in its possession in such port, notwithstanding the provisions of any general order heretofore isued by the Office of Defense Transportation, or of any instructions contained or routing specified in the bill of lading of any such shipment."

The order makes it possible to relieve certain ports of cargoes on hand, or in storage, many of which were destined for foreign ports at about the time of enemy occupation of those ports.

Consumer Division of OPA is Reorganized

Reorganization of the Consumer Division of the Office of Price Administration and new appointments to the staff were announced July 7 by Price Administrator Leon Henderson.

The Division will keep the public informed of the "hows and whys" of OPA regulations and will keep OPA informed of consumer needs and reactions, in order to assist in the formulation of rationing and price control policies. The Division also will further efficient use and conservation of scarce goods and show the public how to cooperate in securing the greatest national benefit from OPA regulations, the Administrator stated.

New branches established and appointments made under this reorganization are as follows:

Consumer Requirements Branch will keep the staff informed on civilian needs and supplies of consumer goods, as well as fiscal, price and rationing policies which will affect wartime living. Headed by Rolf Nugent, former chief of OPA's automobile rationing branch and consultant on consumer credit control.

Program Activities Branch to work primarily with civic and service groups under direction of Miss Ruth Ayres, former president of the New York League of Women Voters and member of the consumer's advisory staff of NRA.

Educational Relations Branch to cooperate with educational institutions and organizations to incorporate their resources and activities into consumer participation programs, headed by Alvin Eurich, former assistant dean and assistant to the president of the University of Minnesota.

Commercial Relations Branch to work with channels of public information already in use between private industry and the public, under direction of Wroe Alderson, who has been marketing analyst and advisor on trade regulations with the Curtis Publishing Company.

Serving these operating branches with educational and informational material will be a writing and editorial branch under William H. Wells, on leave from the firm of Donhard, Pfeiffer, and Wells, book advertising specialists.

The Consumer Division's field staff will be served by a Field Service Branch under direction of Sargent Child, formerly director of the Historical Records Survey of WPA. The Division's program will be carried to all parts of the country through its field staff working through OPA's eight regional offices.

Victor M. Ratner, formerly director of promotion and research of the Columbia Broadcasting System, has been appointed special assistant to Consumer Division Director Robert E. Sessions to assist in planning the operations of the Division. Analysis of public opinion and appraisal of OPA programs will be under Mr. Ratner's particular supervision.

The former Standards Section of the Consumer Division will become a separate branch of OPA, concerned with problems of quality maintenance and standardization in relation to price control.

Labor Committee and Office Formed in OPA

Creation of a Labor Policy Committee in the Office of Price Administration composed of representatives of the American Federation of Labor, the Congress of Industrial Organizations, and the railway labor organizations has been announced by Leon Henderson, Administrator.

Composed of three members from each of the labor groups, the committee will work with Mr. Henderson and other OPA officials in the formulation of price, rent, and rationing policies of interest to labor.

Members of the committee include: AFL—I. M. Ornburn, secretary-treasurer of the Union Label Trades Department; Frank P. Fenton, director of organization; and Boris Shiskin, economist, AFL.

CIO—Emil Rieve, president of the Textile Workers Union; Sherman Dalrymple, president of the United Rubber Workers; and Joseph Curran, president of the National Maritime Union.

Railway Labor Organizations—T. C. Cashen, chairman, Railway Labor Executives' Association; J. G. Luhrsen, executive secretary, Railway Labor Executives' Association; and Martin H. Miller, National Legislative Representative of the Brotherhood of Railroad Trainmen.

Creation of a Labor Office in OPA, with Robert R. R. Brooks, of Williamstown, Mass., formerly with the War Production Board, as director, also was announced.

The new office, which will act as liaison agency between organized labor and OPA, will have the following further functions:

(1) To act as liaison office between OPA and the Labor Production Division of WPB, the War Manpower Commission, and other Federal agencies influencing or determining wage policy and wage rates.

(2) To act as a point of clearance on issues arising from labor participation in local war price and rationing boards, labor participation in price stabilization and the impact of wage increases on price ceilings.

(3) To maintain contacts with operating branches of OPA and other government agencies on the labor phases of the price control, and rationing programs.

(4) To represent OPA to other Federal agencies on specific wage policies affecting OPA policy.

Unsold Stocks of Canned Salmon

Unsold stocks of canned salmon on June 30, 1942, amounted to 11,124 actual cases, compared with 65,727 cases on June 30, 1941, and 23,500 cases on May 31, 1942, according to statistics compiled by the Association of Pacific Fisheries.

The figures for both years shown in the table below, which presents details on unsold stocks, are based on reports from firms which packed 99 per cent of each year's pack.

Grades or varieties	Talls (1-lb.) Cases	Flats (1-lb.) Cases	Halves (8 doz.) Cases	Total June 30, 1942 Cases	Total May 31, 1942 Cases	Total June 30, 1941 Cases
Chinooks or Kings:						
Fancy Red	.....	157	1,002	1,739	635	9,044
Standard	.....	225	2,441	2,666	1,789	4,655
Pale	7	.....	.....	7	7	2,857
White	.....	.....	.....	.....	.....	2,156
Puget Sound Sockeyes	.....	1,716	14	1,730	7,741	1,738
Alaska Reds	24	38	6	68	1,061	9,280
Cohos, Silvers, Medium Reds	*	.....	802	802	367	6,875
Pinks	3,492	.....	.....	3,492	8,777	25,047
Chums	493	.....	102	597	2,672	3,146
Bluebacks	.....	.....	3	3	5	574
Redheads	.....	.....	.....	.....	446	355
Total	4,018	2,136	4,970	11,124	23,500	65,727

*Note: Does not include Coho talls.

War Agency Functions Described in Handbook

An "OEM Handbook," describing the functions and organization of the war agencies within the Office for Emergency Management, has been issued.

The 72-page booklet describes in detail the organization of the War Production Board, the Office of Price Administration and the other constituent agencies of the OEM. Personnel is listed in most cases down to the branch level in each agency. Included are organization charts of the WPB and the Bureau of Industry Branches of the WPB Division of Industry Operations, as well as a chart showing the relationship of the various Federal war agencies.

Copies of the booklet are available in room 1501, New Social Security Building, and from the Superintendent of Documents, Washington, D. C., and at OEM field offices.

Louisiana Bill Sets New Maximum Food Fees

The total examination and investigation charge that might be assessed any one food manufacturer selling his products in the State of Louisiana is set at $10 in a bill recently passed by the Louisiana Legislature. The bill also would place a limit on such charges of $2.50 for each product up to the proposed total of $10.

Under the existing State law the Board of Health may charge manufacturers $5 for each product sold in the State with a maximum charge of $100 per manufacturer. However, the Board voluntarily reduced its examination fees in 1940 to $2.50 per product with a maximum charge against any one manufacturer of $50.

USDA REPORTS ON FRUIT PROSPECTS

Estimates Are Made of Production on Basis of Conditions on July 1

In its crop report as of July 1, 1942, the Bureau of Agricultural Economics of the Department of Agriculture presents estimates of prospective production of a number of the important fruits. The following are excerpts from the report:

Peaches—Prospective production of peaches in 1942 is 66,984,000 bushels, on the basis of the July 1 condition. This indicated production is 10 per cent less than last year's bumper crop but 22 per cent more than the 10-year (1930-39) average.

In the West, prospects improved during June in Colorado, Arizona, Utah, and Oregon and remained the same in other States except for California freestones which declined moderately. Indicated production is above average in all important western States. Harvest of Washington peaches is expected to begin the latter part of July with peak shipments the last week in August. Production of California clingstones is expected to total 17,585,000 bushels, the second largest crop of record, exceeded only by the 1930 production. Production in 1941 was 13,834,000 bushels and the 10-year (1930-39) average was 15,143,000 bushels. Production of California freestones this year is placed at 9,709,000 bushels compared with 8,917,000 last year and the 10-year (1930-39) average of 7,863,000 bushels.

Pears—The production outlook for pears continues to be favorable in most important areas, with the July 1 condition indicating a total United States crop of 29,337,000 bushels. This is approximately the same as last year's crop of 29,533,000 bushels, but is 8 per cent above the 10-year (1930-39) average production of 27,253,000 bushels. Prospects indicate larger-than-average crops in all major producing States except California and New York.

In the three Pacific Coast States (Washington, Oregon, and California), the production of Bartlett pears is expected to total 14,554,000 bushels, 6 per cent less than was produced in this area in 1941. Smaller crops than last season's are indicated in both Washington and California, but in Oregon production is expected to be slightly larger than in 1941.

Citrus Fruits—United States orange production for the 1941-42 marketing season (1941 bloom) is estimated at 83,596,000 boxes—nearly equal to the record 1940-41 production of 84,082,000 boxes. Valencias, which supply the late spring and summer market, and which are now being harvested, are estimated at 29,520,000 boxes in California and 12,000,000 boxes in Florida. Compared with last season, the Valencia crop in California is 1½ per cent less; in Florida, 4 per cent less.

Grapefruit production for 1941-42 is expected to total 39,357,000 boxes—9 per cent less than the large production of 1940-41. In Arizona and California, harvest of late varieties for the summer market is now in progress. Harvest of the Texas crop was about completed by the end of May and the Florida season is now about finished.

The July 1 condition of the United States orange crop from the 1942 bloom was 76 per cent compared with 68 per cent in 1941, and the 10-year (1930-39) average of 74 per cent. The condition of grapefruit on July 1 was 68 per cent, compared with 52 per cent on July 1, 1941, and the 10-year average of 65 per cent.

Plums and Prunes—Production of plums in California is estimated at 80,000 tons—the second largest crop of record,

exceeded only by the 1930 crop of 82,000 tons. Production last year was 71,000 tons.

Prospective production of California dried prunes is 169,000 tons—about 5 per cent less than last year's crop and 18 per cent less than average. Total production of prunes for all purposes in Idaho, Washington, and Oregon is placed at 124,900 tons (fresh basis) compared with 112,300 tons last year and the 10-year (1930-39) average of 160,440 tons. The 1942 production of dried prunes in western Washington and Oregon is expected to be materially larger than last season. In eastern Washington a better-than-average crop is in prospect, but in the western part of the State a crop less than half the average production is expected. Due to the short crop in western Washington, it now seems likely that, for the third year in succession, considerable tonnage of the eastern Washington crop will be canned. The eastern Oregon prune crop is indicated to be 11 per cent above last year, and 35 per cent above average. The western Oregon crop is estimated at 25 per cent above the short crop of last year, but 31 per cent below average.

Apricots, Figs, and Olives—California apricot production for 1942 is placed at 220,000 tons—11 per cent larger than in 1941, but 8 per cent smaller than the 1930-39 average. Indicated production in Washington is 16,200 tons—11 per cent larger than last season; in Utah, 3,100 tons—nearly 2½ times the 1941 output.

Cherries—Indicated production of all varieties of cherries in the 12 commercial States is 197,940 tons—22 per cent more than last year's production and 40 per cent above average. Increases over last year in New York, Michigan, Montana, Washington, Oregon, and California more than offset decreases in Pennsylvania, Ohio, Wisconsin, Idaho, Colorado, and Utah. Expected production is above average in all of the 12 States except Wisconsin, Idaho, Colorado, and Utah. Total production of sweet varieties is indicated to be 91,120 tons, compared with 80,080 tons produced in 1941. The sour cherry crop is estimated at 106,820 tons compared with 82,400 tons last year.

New York and Michigan growers expect the largest cherry production of record. The season in New York is early this year, with harvest of sour cherries starting the first week in July. In Michigan, most canneries were in operation by July 10.

In Colorado, early varieties are now being harvested. Production of sour varieties in that State is indicated to be about the same as in 1941. Production of both sweets and sours is relatively short in Utah this season.

The sour cherry crop in Washington is expected to be 26 per cent larger than last year, with harvest expected to be general by mid-July and heaviest the last half of the month. Oregon expects a total cherry crop 5 per cent above last year and 38 per cent above average. Indicated production of Oregon sour cherries is 2,100 tons compared with 1,400 tons last year.

Institutions Granted Sugar for Own Canning

Public and eleemosynary institutions which in the past canned fruit for on-the-premise consumption will be granted sugar allowances for canning on a basis similar to that granted housewives, the Office of Price Administration announced July 6.

These allowances will be determined after the amount of sugar they formerly used for such purposes has been deducted from the institutional user's base, the OPA said.

Upon application to its respective war price and rationing board, each institution eligible to receive a home-canning allowance will be issued a sugar purchase certificate permitting it to purchase one pound of sugar for each four quarts of finished fruit it declares its intention to can.

The OPA defined "public institutions" as those which are operated by and receive all or part of their funds from city, county, State or Federal sources. These would include State or city hospitals, county homes for the aged and Federal veterans' hospitals.

"Eleemosynary institutions" include those which are organized for charitable purposes and which perform services for persons living in the institutions on a permanent or temporary basis as inmates or patients. Examples are hospitals, crippled children's homes, orphanages and homes for the blind.

Firms Admitted to Membership in Association

The following firms have been admitted to membership in the Association since March 7, 1942:

Abbeville Packers, Inc., Lafayette, La.
Athens Canning Co., Athens, Wis.
Banning Canning Co., Banning, Calif.
Barman Canning Co., Seattle, Wash.
W. J. Bush Citrus Products Co., National City, Calif.
Caltone Corporation, Fullerton, Calif.
Central Alaska Packing Co., Seattle, Wash.
Durand Canning Co., Durand, Wis.
Farallone Packing Co., Division of The Borden Co., San Francisco, Calif.
Fournier, Inc., Savannah, Ga.
C. Hays Hollar, Newbern, Tenn.
Home Canning Co., Blissfield, Mich.
King & Pliar Canning Co., Winnefield, La.
Lomax Canning Co., Lomax, Ill.
Martinez Food Canners, Ltd., Martinez, Calif.
Matmor Canning Co., Inc., Woodland, Calif.
North Star, Inc., Seattle, Wash.
Northern Packing Co., Seattle, Wash.
Oxnard Canners, Inc., Hueneme, Calif.
Ozark Packing Co., Inc., Ozark, Ark.
Clement Pappas & Co., Cedarville, N. J.
Port Ashton Packing Co., Seattle, Wash.
Robins Canning Co., Salt Lake City, Utah.
Port Chatham Packing Co., Portlock, Alaska.
S. C. Peach Growers Assn., Spartanburg, S. C.
Stanwood Canning Co., Stanwood, Wash.
Starkey Farms Co., Morrisville, Pa.
United Packing Corp., Bainbridge, Ga.
Val Vita Food Products, Inc., Fullerton, Calif.
Wapato Packing Co., Wapato, Wash.
West Salem Packing Co., West Salem, Wis.